

April 14, 1997

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Mr. John V. Mirabella
Chief, Engineering and Standards Branch
Minerals Management Service
Department of Interior
Mail Stop 4700
381 Elden Street
Hamdon, Virginia 20170-4817

Dear Mr. Mirabella:

This letter is being submitted to you in response to the proposed rule published in the Federal Register of February 11, 1997, regarding Geological and Geophysical (G&G) Explorations of the Outer Continental Shelf. Independent producers operating in the offshore are concerned about the new policies and administrative requirements being created in the proposed rulemaking regarding G&G.

A number of companies and associations, including the International Association of Geophysical Contractors, have submitted comments to you about their concerns with the rulemaking. We share their concerns and believe MMS should delay any final rulemaking until MMS and its constituents have an opportunity to discuss this rulemaking and develop a better understanding of the intended policy changes and consequences. To document our initial concerns, we have attached a letter sent to you from Fairfield Industries.

Initially, independents did not pay close attention to the proposed rulemaking because it was presented in the preamble as a clarification of existing regulations. As one compares existing regulations with the proposed regulations, on the surface there appears to be only stylistic changes. However, as the geophysical community looked deeper, a number of concerns surfaced, including, but not limited to new disclosure requirements; notification requirements for all licensees; obligations extending to all recipients of data; and new coordination requirements. These type of requirements could have significant impacts on independent producers.

Given that this rulemaking was presented in a manner which indicated that it could have significant impacts on the producing community, IPAA hereby

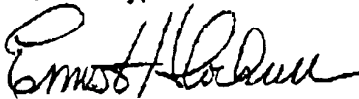
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requests that MMS extend the comment period an additional 60 days. Additionally, we request that MMS hold a meeting with industry representatives to answer a number of questions about the intent of the rulemaking changes. Given your present engagement in a rulemaking process, we understand that you may be required to take minutes during this meeting and place such comments into the record. After this meeting, we will be able to more accurately understand the intended new policies and quantify the consequences on producers in the Gulf of Mexico.

A number of representatives from associations will be in Washington D.C. on May 15, 1997. This meeting will include representatives from IPAA, IAGC, API, and NOIA. We would like to set-up a meeting to discuss this rulemaking for sometime on May 15. Please call Ben Dillon, Vice President of Public Resources for IPAA at 202.857.4722 to set-up this meeting.

This meeting and additional time are critical prior to MMS' publication of a final rulemaking. We hope we can treat this rulemaking initiative like other MMS initiatives by having an open dialogue about the rulemaking and the subsequent impacts on offshore operations. The requested meeting will better allow us to clearly understand MMS' intent to establish new obligations and the reasons for such obligations.

Sincerely,



Ernie Cockrell
Chairman, IPAA Offshore Committee